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Hearings Unit, OIC
Patricia D. Petersen
Chief Hearing Officer

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INSURANCE COMMISSIONER
INVESTIGATIONS & ENFORCEMENT

September 8, 2005

Mr. John Hamje
Deputy Insurance Commissioner
P.O. Box 40257
Olympia, WA 98054-0257

Dear Mr. Hamje,

I am requesting a hearing in response to the order to revoke my license. The charges leveled by Mr. Watson are largely untrue as outlined in my affidavit (enclosure 1). I am still at a loss to understand how an initial misunderstanding on my part with him deteriorated to the point where he felt necessary to pursue action through the Commissioner's Office. During my 11 years in the insurance business, I have prided myself in working on behalf of numerous senior citizens in the areas of life insurance, long term care, and medicare supplements. I am particularly aware of the need to be meticulous in presentation, explanation, and follow up. In fact, my concern to find the best result for Mr. Watson led me to pursue the one thing that I am guilty of - that is to provide him an application with a company that I am not licensed with in an attempt to get him a rate close to his original money commitment. Unfortunately, everything at that point was being exchanged through the mail instead of in person, including application and agreement to use an existing check for electronic funds transfer, so I cannot confirm who might have signed his application.

I do believe the punishment is disproportionate to the crime. The original money collected was refunded to Mr. Watson after we discovered the mistake at time of delivery. There was no intent to defraud or deceive. My desire was simply to provide Mr. Watson with insurance products he requested to protect his mortgage with a hope that he would be added to my hundreds of satisfied clients who feel I have provided the best service possible to them.

My career and my ability to provide for my family is severely threatened by this order. Please consider my appeal for a review hearing and a lesser, more appropriate penalty.

Sincerely,



Robert S. Chronister

enclosure

AFFIDAVIT OF ROBERT STANLEY CHRONISTER

I DECLARE:

1. I am licensed by the State of Washington as an insurance representative in Bellingham, Washington.
2. I have worked for Mutual of Omaha for approximately ten years, in the roles of both Agent and Manager. I am also licensed with various other companies, and additionally I have contacts with yet other insurance companies that occasionally meet the insurance needs of my clients. One such company is U.S. Financial. I am able to give clients access to U.S. Financial policies by working with their Agent, Todd Smith.
3. At no time have I ever signed a policy application, financial application, or any other document for anyone other than myself.
4. At no time did I sign the name of Elmer Watson on any document whatsoever.
5. With respect to the documents included in Mr. Watson's October 26, 2004 submission to the Washington State Office of the Insurance Commissioner (Long-Term Care Application, Authorization to Disclose Personal Information, Authorization to Withdraw Funds), these were signed by Mr. Watson in my presence on August 17, 2004, in Mr. Watson's home.
6. With respect to the documents mentioned in Mr. Watson's February 4, 2005 Affidavit of Forgery (Mutual of Omaha Life Insurance Application dated 10/7/04, Accelerated Benefit Rider Disclosure dated 10/7/04, HIV Test Informed Consent Form, Acknowledgment Form L5682-0203 dated 10/7/04, or Bank Service Plan Authorization Form dated 10/7/04), I mailed these documents to Mr. Watson with an "x" marking the places for his signature. I received them back in the mail, with Mr. Watson's signature in the places marked with the "x." I do not know who signed Elmer Watson's name to those documents. I did not place the signature of Elmer Watson on these or any other documents.
7. With respect to Mr. Watson's application for Life Insurance from U.S. Financial, and attached authorization to initiate bank account debits, and authorization to honor bank

account debit entries, again, I mailed these documents to Mr. Watson with an "x" marking the places for his signature. With those forms, I also included in the mailing to Mr.

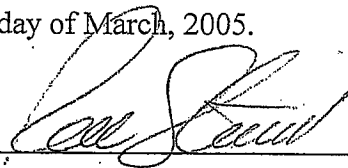
Watson a note informing him that I had on hand a voided check of his (check #5477, initially made out to Mutual of Omaha), which I could provide to U.S. Financial with the bank account debit authorization forms. I received all of the above documents back in the mail, with Mr. Watson's signature in the places marked with the "x." I do not know who signed Elmer Watson's name to those documents. I did not place the signature of Elmer Watson on these or any other documents.

8. Having received back the signed U.S. Financial application and authorization pages, I then sent a voided check of Mr. Watson's to U.S. Financial in order to effectuate the bank account automatic withdrawals which I believed at the time to have been duly authorized by Mr. Watson.
9. At no time did I "compile a fictitious application for long term care insurance," as Mr. Watson asserts in his 10/26/04 letter to the Insurance Commissioner.
10. At no time did I "deceive Mutual of Omaha" or Mr. Watson regarding the policies offered to Mr. Watson, as Mr. Watson asserts in his 10/26/04 letter to the Insurance Commissioner.
11. At no time have I ever "preyed on elderly clients," as Mr. Watson asserts in his 10/26/04 letter to the Insurance Commissioner.
12. At no time have I ever engaged in "fraudulent sales practices," as Mr. Watson asserts in his 10/26/04 letter to the Insurance Commissioner.
13. My intention at all times with respect to Mr. Watson was to work with him and the companies with which I do business, to provide for his insurance needs in the best way possible. Obviously, I misunderstood the policy Mr. Watson was interested in when I met with him initially in October, 2004. I attempted to correct the situation by finding Mr. Watson a policy that would meet his stated needs and stay within the budget he gave me. At no time did I ever intend to confuse, mislead, prey on, defraud or otherwise mistreat Mr. Watson in my dealings with him. I regret that my actions have caused him such grief.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is

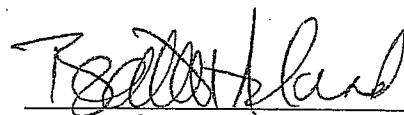
true and correct.

Signed at Bellingham, Washington on the 23rd day of March, 2005.


Robert Stanley Chronister

STATE OF WASHINGTON)
COUNTY OF WHATCOM)

Signed and sworn to before me on March 23, 2005.


Notary Public
Print Name: BEATRICE ACLAND
My appointment expires: 11/1/08

